

113313

TO: Board of Acquisition and Contract

FROM: Hugh J. Greechan, Jr., PE
Commissioner of Public Works and Transportation

DATE: March 24, 2026

SUBJECT: Authority for the County of Westchester to amend: (i) its sublease from the Westchester County Health Care Corporation for a portion of Cedarwood Hall and (ii) its sublease with Westchester Institute for Human Development for that same space. (Agreement No. 05-913)

Authorization is requested for the County of Westchester (the "County") to enter into a second amendment of its sublease of a portion of Cedarwood Hall from the Westchester County Health Care Corporation ("WCHCC") and also enter into a second amendment of its sublease to Westchester Institute for Human Development ("WIHD") for the same space.

On December 13, 2004, the Board of Legislators ("BOL") approved Local Law No. 22-2004 which authorized the County to enter into subleases with WCHCC and WIHD (respectively the "WCHCC Sublease" and the "WIHD Sublease"). As Cedarwood Hall is included in the Premises as defined by the Restated and Amended Lease Agreement between the County and WCHCC dated December 30, 1998, WCHCC subleased that portion of Cedarwood Hall used by WIHD to the County and the County in turn subleased the same space to WIHD. Thereafter, in 2015, the BOL approved Local Law No. 2015-13 which authorized the County to amend the WCHCC Sublease and WIHD Sublease in order to extend the term of the subleases, with options, through March 31, 2025.

On March 23, 2026, the BOL approved Local Law Intro. No. 16-2026 that allows this arrangement to continue uninterrupted and enables WIHD to get the best possible Medicaid reimbursement rates. Authorization from your Honorable Board is now sought for the County to enter into and amend its sublease of a portion of Cedarwood Hall from the WCHCC and also to enter into and amend the County's sublease of that space to the Institute.

The term of both proposed second amendments shall be retroactive to April 1, 2025 and continue through December 31, 2026. The proposed second amendment to the WCHCC Sublease will require the County to pay WCHCC \$966,455.00 annually (representing base rent and additional rent). The County and WIHD will simultaneously enter into a second amendment to the WIHD Sublease, and WIHD will be required to pay the County fair market value rent of \$32.32 per square foot, for 72,796 square feet, for a base annual rent of \$2,352,766.72, plus additional rent of \$4,560.00 representing the cost of medical waste removal, for a total rent of \$2,357,326.72. WIHD will also be required to pay its proportionate share of any increases in operating costs (taxes, heat, electric, maintenance, common area maintenance, etc.) The rent payable under both second amendments to the subleases for 2025 shall be prorated to account for the partial year.

WIHD has entered into a new lease with a private landlord and it is anticipated that the space will be ready for WIHD to occupy on or before December 31, 2026. In the event that space is ready beforehand, however, WIHD has requested an option to terminate the second amendment to the WIHD Sublease on sixty (60) days written notice to the County. The County would likewise have an option to terminate the second amendment to the WCHCC Sublease on sixty (60) days written notice to WCHCC.

All other terms and conditions of the WCHCC Sublease and the WIHD Sublease shall remain in full force and effect.

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Second Amend to Sublease Agreement No. 05-913
Westchester County Health Care Corporation and
Westchester Institute for Human Development
Space at Cedarwood Hall
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It should be noted that the County will also enter into a separate agreement with WIHD for services relating to clinical programs, training, education, technical assistance and applied research related to individuals with disabilities and their families which agreement will be separately submitted by the Department of Social Services to your Honorable Board for consideration and approval.

An appropriate Resolution is attached for your consideration and approval.

HJG/TSA
Attachment

APPROVED BOARD OF ACQUISITION & CONTRACT - 04/02/2026 - RAYMOND SCULKY, SECRETARY

RESOLUTION

Upon a communication from the Commissioner of Public Works and Transportation, be it hereby

RESOLVED, that the County of Westchester (the “County”) is authorized to enter into a second amendment to its sublease agreement with Westchester County Health Care Corporation (“WCHCC”) for a portion of Cedarwood Hall (the “Premises”), which sublease was duly executed in 2005 (“WCHCC Sublease”), for a term commencing retroactively on April 1, 2025 and continuing through December 31, 2026. The County will pay WCHCC \$966,455.00 annually (representing base rent and additional rent); and be it further

RESOLVED, that the County is further authorized to enter into a second amendment to its sublease agreement to Westchester Institute for Human Development (“WIHD”), which sublease was duly executed in 2005 (“WIHD Sublease”). WIHD will pay the County fair market value rent of \$32.32 per square foot, for 72,796 square feet, for a base annual rent of \$2,352,766.72, plus additional rent of \$4,560.00 representing the cost of medical waste removal, for a total rent of \$2,357,326.72. WIHD will also be required to pay its proportionate share of any increases in operating costs (taxes, heat, electric, maintenance, common area maintenance, etc.); and be it further

RESOLVED, that the rent payable under both second amendments to the subleases for 2025 shall be prorated to account for the partial year; and be it further

RESOLVED, that all other terms and conditions of the WCHCC Sublease and the WIHD Sublease, both as previously amended, shall remain in full force and effect; and be it further

RESOLVED, that the second amendment to the WCHCC sublease is subject to County appropriations, and be it further;

RESOLVED, that the County Executive or his authorized designee is hereby authorized and empowered to execute all instruments and to take all action necessary and appropriate to effectuate the purposes hereof.

Agreement No. 05-913, A2

| Account to be Charged/Credited | Fund | Dept. | Major Program, Program & Phase Or Unit | Object/ Sub-Object | Trust Account | Dollars |
|--------------------------------|------|-------|--|--------------------|---------------|-----------------------|
| | 101 | 46 | 3300 | 4320 | | \$ 724,842.00 (2025) |
| | 101 | 46 | 3300 | 9274 | | \$1,767,995.00 (2025) |
| | 101 | 46 | 3300 | 4320 | | \$ 966,455.00 (2026) |
| | 101 | 46 | 3300 | 9274 | | \$2,357,327.00 (2026) |

Budget Funding Years 2025-2026 Start Date: 4/1/2025 End Date: 12/31/2026
 (must match resolution)

Funding Source: Tax Dollars: \$1,691,297.00
 State Aid _____
\$1,691,297.00 Federal Aid: _____
 (must match resolution) Other: \$4,125,322.00 (Rental Revenue)